

**STATE OF DELAWARE**

**OFFICE OF**

**AUDITOR OF ACCOUNTS**

**ODYSSEY CHARTER SCHOOL**

**STUDENT ACCOUNTING AND**

**ENROLLMENT**

**AGREED-UPON PROCEDURES ENGAGEMENT**

**SEPTEMBER 30, 2006**

**FIELDWORK END DATE: DECEMBER 1, 2006**

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INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED-UPON PROCEDURES

The Honorable Valerie A. Woodruff  
Secretary  
Department of Education  
Townsend Building, Suite 2  
401 Federal Street  
Dover, DE 19901

Mr. Anthony Skoutelas  
Headmaster  
Odyssey Charter School  
3821 Lancaster Avenue  
Wilmington, DE 19805-1512

We have performed the procedures enumerated below, which were agreed to by the Department of Education (DOE) and Odyssey Charter School (the School). The procedures were performed solely to assist the specified parties in evaluating the School's compliance with laws and regulations in regard to Student Accounting and Enrollment as of September 30, 2006. Management of the School is responsible for the School's compliance with those requirements.

This agreed-upon procedures engagement was performed in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States and the attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures were as follows:

1. Determine if the School's policies and procedures for preparing, reviewing, and reporting the September 30<sup>th</sup> student count are adequate.
2. Determine if the School properly reported enrollment figures to the DOE. Calculate the dollar impact of disallowed students, if applicable.
3. Select 10 percent (10%) or a minimum of five "Individualized Education Program" (IEP) files at the Charter School and verify that each file contains the required documentation in accordance with the DOE's Administrative Manual for Special Education Services. Calculate the dollar impact of disallowed services, if applicable.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with specified laws. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the DOE and the School and should not be used by those who have not agreed to the procedures and have not taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited. This report, as required by statute, was provided to the Office of the Governor, Office of the Controller General, Office of the Attorney General, Office of Management and Budget, and Department of Finance.

R. Thomas Wagner, Jr., CFE, CGFM, CICA  
Auditor of Accounts  
Office of Auditor of Accounts

December 1, 2006

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# SCHEDULE OF FINDINGS

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## **Procedure #1**

Determine if the School's policies and procedures for preparing, reviewing and reporting the September 30<sup>th</sup> student count are adequate.

## **Finding #1**

The School does not have written internal policies and procedures governing the preparation, review and reporting of the September 30<sup>th</sup> student count. Additionally, the processes in place for the preparation, review and reporting of the September 30<sup>th</sup> student count were not sufficient. Attendance records were not uniform during the official student enrollment period and the processes in place did not sufficiently address all possible attendance issues.

The State of Delaware *Budget and Accounting Policy Manual* states, "Department or agency heads are responsible for establishing and maintaining an effective system of internal control." Additionally, the manual states, "Internal control provides management with reasonable assurance that it's policies and procedures are implemented and consistently followed to ensure efficient and effective organization operation." Further, the manual states, "A well designed system of controls must include written policies and procedures to ensure that each control objective is met."

Lack of sufficient policies and procedures may result in an inaccurate student count at September 30<sup>th</sup>.

## **Recommendation**

The School should develop and implement in-house written policies and procedures governing the preparation, review, and reporting of the September 30<sup>th</sup> student enrollment figures to DOE. These policies and procedures should incorporate information such as:

- Documentation of personnel responsible for each task (i.e. completing forms, signing forms, etc.).
- Timeframes for the submission of documentation.
- Procedures followed if a student transfers from the Charter School to another School.
- Procedures to ensure that transferred students are only counted in one school.
- Attendance taking methodology.
- Uniform attendance records.
- Policies regarding eligibility for a student to be included in the official student enrollment.
- Verification of attendance by teachers and upper level administrators.
- Gathering and maintaining documentation that supports attendance and reported enrollment figures (medical excuses, transfer/entry/withdrawal forms, homebound, placement in an alternative education setting, engineering, etc.).
- How the School ensures that required information is included on IEP's (necessary signatures, goals, benchmarks and objectives, etc.).
- Reference to pertinent rules and regulations stipulated by DOE and /or Delaware Code.
- Record retention policy.

The policies and procedures should be uniformly implemented throughout the School.

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# SCHEDULE OF FINDINGS

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## **Auditee Response**

Odyssey Charter School accepts the findings and recommendations of the Office of Auditor of Accounts. Odyssey Charter School has received a copy of the Newark Charter School policies and procedures pertaining to September 30<sup>th</sup> unit count record keeping. The Policies and Procedures from Newark Charter School will be reviewed and modified then recommended for adoption by the Odyssey Charter School Board of Directors.

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# DOLLAR IMPACT

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There was no dollar impact/savings identified as a result of applying the specified agreed-upon procedures.

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# DISTRIBUTION OF REPORT

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Copies of the School's Agreed-Upon Procedures Engagement have been distributed to the following public officials:

Executive Branch

The Honorable Ruth Ann Minner, Governor, State of Delaware  
The Honorable Richard S. Cordrey, Secretary, Department of Finance  
The Honorable Jennifer W. Davis, Director, Office of Management and Budget  
Ms. Trisha Neely, Director, Division of Accounting, Department of Finance

Legislative Branch

The Honorable Russell T. Larson, Controller General, Office of Controller General

Other Elective Offices

The Honorable Joseph R. Biden III, Attorney General, Office of the Attorney General

Other

Mr. George Chambers, President, Odyssey Charter School